

EXHIBIT 1

LEASE AGREEMENT

Between

CORE Commercial, Inc.
“Landlord”

and

Jo-Ann Stores, Inc.
“Tenant”

Dated: May __, 2012

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LEASE

This Lease is made as of May ___, 2012, between **CORE Commercial, Inc.**, a Wisconsin corporation, ("Landlord"), and **Jo-Ann Stores, Inc.**, an Ohio corporation ("Tenant").

Landlord and Tenant covenant and agree as follows:

SECTION 1. EXHIBITS TO LEASE

(a) The following exhibits are attached to and made a part of this Lease, and are incorporated herein by reference:

Exhibit A. The description of the lands upon which the Shopping Center is located. To be attached post Lease execution.

Exhibit B. The site plan showing the Project, the Shopping Center, the location of the Premises, as hereafter defined, the Shopping Center buildings, the Protected Area, the parking areas, driveways and common areas and containing other general information relative to the development of the Shopping Center Site (the "Site Plan").

Exhibit C. The scope of work matrix which defines the responsibility for performance of work (and all costs associated therewith) between Landlord and Tenant for a build-out of the Premises in compliance with Tenant's Prototype Plans (as defined in Section 2 hereof).

Exhibit D. Tenant's Turn-Key Prototype Plans marked as 15K FY2014 Prototype drawings.

Exhibit D-1. Prototype signage, as approved by Landlord and Tenant.

Exhibit D-2. Lease outline drawing provided by Landlord.

Exhibit E. The project coordination guidelines.

Exhibit F. The Exclusive Uses of other tenants.

Exhibit G. Form of Subordination, Non-Disturbance and Attornment Agreement.

Exhibit H. Form of Estoppel Certificate.

(b) If there is any conflict between the language in this Lease and the content of any of the aforementioned Exhibits, the content of the Exhibit shall control.

SECTION 55. ATTORNEY'S FEES

If Landlord or Tenant is required to enforce this Lease, then the non-prevailing party must pay to the prevailing party the prevailing party's arbitration costs (if any), court costs and reasonable attorney's fees. This provision applies to court costs and attorney's fees incurred in any trial and appellate courts.

SECTION 56. OFAC WARRANTY

Each party represents and warrants to the other party that the representing party (a) is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the U.S. Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control, and (b) is not engaged in this lease transaction, directly or indirectly, on behalf of, or instigating or facilitating this lease transaction, directly or indirectly, on behalf of any such person, group, entity or nation. The breaching party must defend, indemnify, and hold harmless the other party from and against all claims, damages, losses, risks, liabilities, and expenses (including reasonable attorney's fees and costs) arising from or related to any breach of the forgoing representation.


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In witness whereof, the parties have signed this Lease as of the date listed above.

WITNESSES:


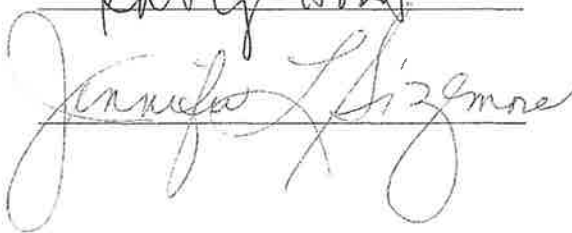
LANDLORD:

CORE Commercial, Inc.

By: 
Name: Ron Pischke
Title: President

Employer Identification Number: 26-2796658

WITNESSES:

TENANT:

JO-ANN STORES, INC.

By:  *Gay*
Travis Smith, Chief Executive Officer
and President

And

By: 
James Kerr, Executive Vice President
and Chief Financial Officer

STATE OF Wisconsin)
) SS
COUNTY OF Outagamie)

BEFORE ME, a Notary Public in and for said County and State, personally appeared **CORE Commercial, Inc.**, by Kim Pischke, its President, who did sign the foregoing instrument on behalf of the limited liability company and that the same is his/her free act and deed of the corporation and personally and as such authorized representative.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Appleton, Wisconsin, this 14th day of June, 2012.


NOTARY PUBLIC
JENNIFER W. KEPPEL
NOTARY
PUBLIC
STATE OF WISCONSIN

STATE OF OHIO)
) SS
COUNTY OF SUMMIT)

BEFORE ME, a Notary Public in and for said County and State, personally appeared **JO-ANN STORES, INC.**, an Ohio corporation, by Travis Smith, its chief executive officer and president, and James Kerr, its executive vice president and chief financial officer, who acknowledged before me that they did sign the foregoing instrument on behalf of said corporation and that the same is their free act and deed personally and as such officers.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Hudson, Ohio, this 18th day of May, 2012.


NOTARY PUBLIC



BONITA MARIE CAESAR
Notary Public, State of Ohio
My Commission Expires
August 17, 2012

EXHIBIT A

Legal Description

Parcel I: A parcel of land located in the Southeast 1/4 of the Southwest 1/4 of Section 30, Township 2 North, Range 18 East, described as follows: Beginning at the South 1/4 corner of Section 30, Township 2 North, Range 18 East on the 4th P.M., County of Walworth, State of Wisconsin; thence run West on the South line of the Southwest 1/4 of Section 30, 444.50 feet to a point and the place of beginning of parcel of land hereinafter described; thence continue West, on the South line of the Southwest 1/4 of said Section, 100.00 feet to a point; thence North 0 degrees 19' West, 244.50 feet to a point; thence East, parallel with the South line of the Southwest 1/4 of said Section, 100.00 feet to a point; thence South 0 degrees 19' East, 244.50 feet to a point on the South line of the Southwest 1/4 of said Section and the place of beginning. Said land being in the City of Lake Geneva, County of Walworth, State of Wisconsin.

Tax Key No.: ZYUP00188

Parcel II: A parcel of land located in the Southeast 1/4 of the Southwest 1/4 of Section 30, Township 2 North, Range 18 East, described as follows; Commencing at an iron stake 16.5 feet North of the intersection of the North line of Section 31, Township 2 North, Range 18 East, of the 4th P.M., and the West line of the public road in the Northeast 1/4 of the Northwest 1/4 of said Section 31; thence North 228 feet to an iron stake; thence West 95.52 feet to an iron stake; thence South 228 feet to an iron stake; thence East 95.52 feet to the point of beginning. Said land being in the City of Lake Geneva, County of Walworth, State of Wisconsin.

Tax Key No.: ZYUP00187

Parcel III: A parcel of land located in the Southeast 1/4 of the Southwest 1/4 of Section 30, Township 2 North, Range 18 East, described as follows: Beginning at the South 1/4 corner of Section 30, Township 2 North, Range 18 East of the 4th P.M., Walworth County, State of Wisconsin, thence East 23.8 rods; thence North 244.5 feet, thence West 57 rods, thence South 244.5 feet, thence East 33.2 rods to the place of beginning, EXCEPTING a parcel as described in Vol. 464 on page 499 in the Walworth County Records. Said land being in the City of Lake Geneva, County of Walworth, State of Wisconsin.

Tax Key No.: ZYUP00189